MR. K. GEORGE (*Financial Secretary to Government*): It is repayable at the option of the Government of India, and not necessarily repayable.

MR. N. PADMANABHA PILLAI (*Karunagapalli*): Supposing the Government of India does not care to pay that money, how is the liability to be discharged out of the Sinking Fund?

MR. K. GEORGE (*Financial Secretary to Government*): We have always the liberty to dispose of them in the market.

Investment of Government Surpluses.

128. MR. N. PADMANABHA PILLAI (*Karunagapalli*): (*a*) Will the Government be pleased to state the exact dates on which their surplus funds investments were made in the several securities?

(*b*) Have any of these securities been since renewed? If so, when?

(*c*) When do these securities become payable?

(*d*) What is the amount earned by way of interest from these investments during 1098?

MR. K. GEORGE (*Financial Secretary to Government*): (*a*) The following are the investments made by the Government out of the surplus funds:—

(1) Bh. Rs. 12,00,600 in 3 per cent. loan of 1896-97.

(2) Bh. Rs. 38,91,100 in 3½ per cent. loan of 1879.

(3) Bh. Rs. 15,00,000 in 6 per cent. loan of 1930.

(4) Bh. Rs. 10,00,000 in 5½ per cent. war bonds of 1925.

Items (1) and (2) are not repayable and no definite information is available in regard to the exact dates on which the investments were made. It is however seen that the investments date from so far back as 1036 M. E. Items Nos. (3) and (4) are terminable loans. No. (3) was purchased in September 1920 and No. (4) in June 1918.

(*b*) The above investments have not been renewed at any time.

(*c*) The report of the 3 per cent. and 3½ per cent. securities cannot be claimed by the holders. The terminable loans are repayable in 1930 and 1925 respectively.

(*d*) The annual interest on the investments amounts to Br. Rs. 3,17,206-8-0.

Funds for the Trivandrum-Nagercoil Railway.

129. MR. N. PADMANABHA PILLAI (*Karunagapalli*): Will the Government be pleased to state how they intend providing funds for the proposed Trivandrum-Nagercoil Railway?

MR. K. GEORGE (*Financial Secretary to Government*): The survey of the line is now proceeding. The question of providing funds for the construction of the railway need be taken up only if and when the construction of the line is sanctioned.

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